



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-884]

Glycine from India: Preliminary Results and Rescission, in Part, of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on glycine from India for the period of review (POR) January 1, 2020, through December 31, 2020. Commerce preliminarily determines that countervailable subsidies are being provided to producers and exporters of glycine from India. In addition, we are also rescinding this review with regard to seven companies for which the request for review was timely withdrawn by interested parties. The preliminary net subsidy rates are listed below in the section titled “Preliminary Results of Administrative Review.” Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: George McMahon or Scarlet Jaldin AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1167 or (202) 482-4275, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 21, 2019, Commerce published in the *Federal Register* the CVD order on glycine from India.¹ On August 3, 2021, Commerce published a notice of initiation of administrative

¹ See *Glycine from India and the People’s Republic of China: Countervailing Duty Orders*, 84 FR 29173 (June 21, 2019) (*Order*).

review of the *Order*.² On November 1, 2021, GEO Specialty Chemicals, Inc. (the petitioner³), timely withdrew its request for an administrative review of eight companies.⁴ On February 25, 2022, Commerce extended the deadline for issuing the preliminary results of this review until June 22, 2022.⁵ On June 6, 2022, Commerce extended the deadline for issuing the preliminary results of review until June 30, 2022.⁶

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁷ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Rescission, in Part, of Countervailing Duty Administrative Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation of the requested review. The petitioner timely submitted a withdrawal of its request to review eight companies⁸ and no other interested party

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 41821 (August 3, 2021) (*Initiation Notice*).

³ In the CVD investigation, the Petition was submitted on behalf of GEO Specialty Chemicals, Inc. and Chattem Chemicals, Inc. In this review, we reference GEO Specialty Chemicals, Inc., a domestic glycine producer, as the petitioner.

⁴ See Petitioner's Letter, "Glycine from India (C-533-884): Partial Withdrawal of Request for Administrative Review," dated November 1, 2021 (Petitioner's Partial Withdrawal of Review Requests).

⁵ See Memorandum, "Countervailing Duty Administrative Review of Glycine from India, 2020: Extension of Deadline for the Preliminary Results," dated February 25, 2022.

⁶ See Memorandum, "Countervailing Duty Administrative Review of Glycine from India, 2020: Second Extension of Deadline for the Preliminary Results," dated June 6, 2022.

⁷ See Memorandum, "Countervailing Duty Administrative Review of Glycine from India, 2020: Preliminary Decision Memorandum," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁸ The eight companies for which the petitioner withdrew its request for review are Paras; Mulji Mehta Enterprises; Mulji Mehta Pharma; Studio Disrupt; J.R. Corporation; Rudraa International; Rexusize Rasayan Industries; and Indiana Chem-Port.

requested an administrative review of the following seven of the eight companies listed in the Petitioner's Partial Withdrawal of Review Requests: Mulji Mehta Enterprises; Mulji Mehta Pharma; Studio Disrupt; J.R. Corporation; Rudraa International; Rexisize Rasayan Industries; and Indiana Chem-Port. Paras Intermediates Private Ltd. (Paras) requested a review of its own entries⁹ and did not withdraw its request for a review. As a result, the review of Paras, for which the petitioner and Paras requested a review, will not be rescinded. In accordance with 19 CFR 351.213(d)(1), and consistent with our practice,¹⁰ we are rescinding the administrative review of the *Order*, in part, with respect to these seven companies, and continuing the administrative review with respect to Avid Organics Private Limited (Avid), Kumar Industries (Kumar), and Paras.

Scope of the *Order*

The merchandise covered by the *Order* is glycine from India. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution that gives rise to a benefit to the recipient, and the subsidy is specific.¹¹ For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

In January 4, 2022, the petitioner timely submitted new subsidy allegations regarding eight additional programs.¹² On February 9, 2022, Commerce requested additional information¹³ from the petitioner regarding certain of its allegations, to which the petitioner responded on February 16,

⁹ Paras submitted a request for review with respect to itself. See Paras's Letter, "Request for Countervailing Duty Administrative Review," dated June 28, 2021. Paras did not withdraw its request for review.

¹⁰ See, e.g., *Certain New Pneumatic Off-The-Road Tires from the People's Republic of China: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review*; 2016, 83 FR 32080 (July 11, 2018).

¹¹ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5)(A) of the Act regarding specificity.

¹² See Petitioner's Letter, "Glycine from India: New Subsidy Allegation," dated January 4, 2022.

¹³ See Commerce's Letter, "Countervailing Duty Administrative Review of Glycine from India: New Subsidy Allegations Questionnaire," dated February 9, 2022.

2022.¹⁴ On March 11, 2022, we initiated an investigation of four of the eight new subsidy programs alleged by the petitioner.¹⁵ On March 14, 2022, Commerce issued new subsidy allegation questionnaires to the Government of India, Avid, and Kumar related to each of the programs on which it initiated a review.¹⁶

Company Not Selected for Individual Review

For the company not selected for individual review (*i.e.*, Paras), because the subsidy rates calculated for Avid and Kumar for these preliminary results of review are above *de minimis* and not based on facts available, we have preliminarily calculated a subsidy rate based on a weighted-average of the subsidy rates calculated for Avid and Kumar using publicly ranged sales data submitted by respondents.¹⁷ This methodology for establishing the subsidy rate for the non-selected companies is consistent with our practice and with section 705(c)(5)(A) of the Act. For additional information, *see* the Preliminary Decision Memorandum.

Preliminary Results of Administrative Review

In accordance with 19 CFR 351.221(b)(4), we determine the following preliminary net countervailable subsidy rates for the period January 1, 2020, through December 31, 2020:

¹⁴ See Petitioner's Letter, "Glycine from India (C-533-884): GEO's New Subsidy Allegations Questionnaire Responses," dated February 16, 2022.

¹⁵ See Memorandum, "Administrative Review of Countervailing Duty Order on Glycine from India; 2020, New Subsidy Allegations," dated March 11, 2021.

¹⁶ See Commerce's Letters, "Countervailing Duty Administrative Review of Glycine from India; 2020: Kumar New Subsidy Allegation Questionnaire," dated March 14, 2021; "Countervailing Duty Administrative Review of Glycine from India; 2020: The Government of India New Subsidy Allegation Questionnaire," dated March 14, 2021; "Countervailing Duty Administrative Review of Glycine from India; 2020: Avid New Subsidy Allegation Questionnaire," dated March 14, 2021.

¹⁷ See Memorandum, "Preliminary Results Calculation of Subsidy Rate for a Non-Selected Company Under Review," dated concurrently with this notice.

Company	Subsidy Rate (percent <i>ad valorem</i>)
Avid Organics Private Limited ¹⁸	3.00
Kumar Industries, India ¹⁹	3.11
Paras Intermediates Private Ltd. ²⁰	3.06

Assessment Rates

Consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), upon issuance of the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, CVDs on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the companies for which we have rescinded this administrative review, *i.e.*, Mulji Mehta Enterprises, Mulji Mehta Pharma, Studio Disrupt, J.R. Corporation, Rudraa International, Rexusize Rasayan Industries and Indiana Chem-Port, CVDs shall be assessed at rates equal to the cash deposit of estimated CVDs required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2020, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Requirements

¹⁸ See Memorandum, “Preliminary Results of Administrative Review of Glycine from India; 2020: Calculation Memorandum for Avid Organics Private Limited,” dated concurrently with this notice (Avid Preliminary Calculation Memorandum).

¹⁹ In this review, we preliminarily determine that Kumar is cross-owned with Advance Chemical Corporation. See Preliminary Decision Memorandum and Kumar Preliminary Calculation Memorandum for further discussion. We note that the *Initiation Notice* includes “Kumar Industries” which we have determined is the same company previously examined, “Kumar Industries, India.” See Memorandum, “Preliminary Results of Administrative Review of Glycine from India; 2020: Preliminary Calculation Memorandum for Kumar Industries India,” dated concurrently with this notice (Kumar Preliminary Calculation Memorandum).

²⁰ See section “Rescission, in Part, of Countervailing Duty Administrative Review,” *supra*; see also Memorandum, “Preliminary Results Calculation of Subsidy Rate for a Non-Selected Company Under Review,” dated concurrently with this notice.

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated CVDs at the rates shown above for each of the companies listed above with regard to the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, Commerce will instruct CBP to continue to collect cash deposits of estimated CVDs at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to parties of this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results in the *Federal Register*.²¹

Interested parties may submit written comments (case briefs) on the preliminary results no later than 30 days after the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal briefs) within seven days after the time limit for filing case briefs.²² Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.²³ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.²⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, within 30 days after the date of publication of this notice.²⁵ Hearing requests should contain: (1) the party's name,

²¹ See 19 CFR 351.224(b).

²² See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1); see also 19 CFR 351.303 (for general filing requirements)).

²³ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

²⁴ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

²⁵ See 19 CFR 351.310(c).

address, and telephone number; (2) the number of participants, whether any participant is a foreign national; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.²⁶ If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.²⁷ Parties should confirm the date and time of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and that electronically filed documents must be received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Commerce intends to issue the final results of this administrative review, including the result of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213.

Dated: June 30, 2022.

Ryan Majerus,
Deputy Assistant Secretary for Policy and Negotiations.

²⁶ See 19 CFR 351.310.

²⁷ See 19 CFR 351.310 (c).

Appendix

List of Topics Discussed in the Preliminary Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Partial Rescission of Review
- VI. Rate for Non-Examined Company
- VII. Subsidies Valuation
- VIII. Interest Rates, Discount Rates, and Benchmarks
- IX. Analysis of Programs
- X. Recommendation

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